



TOP TEN SECRETS YOUR COMPETITORS DON'T WANT YOU TO KNOW

HOW TO SELL MORE
WITH QUOTING



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He's held senior positions at Toshiba America, Ingram Micro, several software start-ups, and immediately before joining Cincom, as Senior Analyst, Sell-Side e-Commerce at AMR Research. Mr. Columbus is a frequent contributor to industry publications and has published 15 books on operating systems, peripherals and industry analysis.

In addition, Mr. Columbus is a frequent lecturer in Webster Loyola-Marymount University's graduate program on International Business and Global Competitive Strategy. He is a regular contributor to the Cincom Product Configurator Blog, Perfect Customer Experience blog and his own blog, "A Passion for Research".

Mr. Columbus earned his MBA from Pepperdine University and has completed the Strategic Marketing Management Program at the Stanford University Graduate School of Business.

QUOTING PERFORMANCE SAYS WHO YOUR COMPANY REALLY IS.

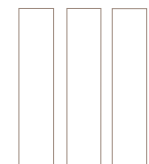
Transforming your sales pipeline into profits depends on how well customers' expectations are set and exceeded. Creating and exceeding customers' expectations has to begin with consistent sales proposal, quoting, pricing exception management and product configuration systems and strategies.

Each of these processes and strategies tell your customers who your company really is, over and above any presentation deck or whiteboard session.

How a company executes on proposals, quoting, pricing exception management and product configuration says who they really are.

Any company can claim to have excellent integration of sales force automation, CRM, pricing, quoting, manufacturing and service systems, yet their track record with fulfilling quotes accurately speaks to the truth of how they operate.

Getting the point of having quoting systems deliver what your company can actually produce profitably is critical to attracting new customers and keeping existing ones.



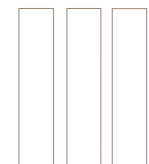
DEFINE THE ENTIRE QUOTING PROCESS FROM THE CUSTOMER'S PERSPECTIVE FIRST.

The most common reason why quoting strategies fail to deliver accurate, buildable quotes is that too often companies build these processes not for the customer's benefit or ease of use, but for their own.

The symptoms of this happening are product catalogs designed in taxonomies that have little or no meaning to customers, which leads to confusing and often inaccurate quotes as a result.

Serve the customer instead of your company with the quoting process.

Time is perceived differently by customers. Be sure to check in and see how your company is performing on quoting based on customers' expectations first!

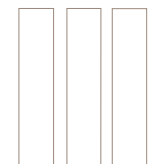


NEVER QUIT ASKING HOW MORE TIME CAN BE SAVED IN THE QUOTING PROCESS.

The best-performing companies are obsessed with trimming the time it takes to create a quote. They are continually focused on how to get more done in less time, especially when it comes to creating quotes for customized products requiring unique pricing and licensing agreements.

Just automating the quoting process is not enough; it needs to be modified to reflect the changing nature of how customers choose to buy from you.

That is the critical inflection point in automating quoting. Staying in step with customers is critical.

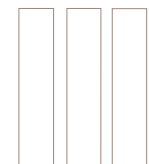


INTEGRATING PRICING TO THE SYSTEM-OF-RECORD LEVEL IS CRITICAL.

The majority of quoting systems rely on a separate pricing database, or worse, a Microsoft Excel spreadsheet that is queried through the use of Visual Basic macros or XML integration links if it is online. In fact, the first generation of quoting systems relied on this approach to get pricing onto quotes at all.

Customers' expectations have blasted way beyond this however. Now they expect to see real-time pricing—from the system-of-record level that matches what they get from your company and from any sales channel they choose to buy through.

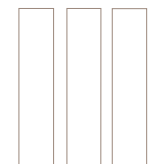
Getting quoting integrated to the pricing system of record also solves maverick quoting on the part of customers who look for inaccuracies in pricing across channels in an effort to find deals.



GET YOUR SERVICES TEAMS INVOLVED EARLY AND OFTEN.

Think of it this way. Services keeps the commitments sales and production set in the sales cycle and during the product's delivery. Keep them very involved in all pilots of quoting systems to make sure every single commitment made can be kept and exceeded.

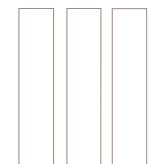
Services' expertise needs to be included in the quoting system logic as well to make sure given product configurations are actually buildable and deliverable.



THINK OF QUOTING AS A PART OF YOUR FORECASTING SYSTEM INSTEAD OF JUST BEING STAND-ALONE.

One Cincom customer is using the quoting system to actively manage the mix of make-to-stock and build-to-order products, trimming back their engineer-to-order products and attaining higher margins as a result.

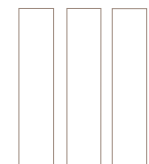
Focus on making quoting systems an integral part of how you forecast product mix.



WIN THE BATTLE FOR CHANNEL-PARTNER MINDSHARE WITH QUOTING AND PRICE- EXCEPTION MANAGEMENT.

Responsiveness and undivided attention is the greatest compliment you can give a customer, whether in person or not. That is a major lesson learned from manufacturers who often have to battle for their channel partners.

Getting the right tools to them and being responsive can make the difference between holding onto or losing a reseller in highly competitive areas of a market.



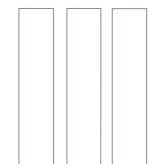
USE A QUOTING-SYSTEM PILOT TO TEST YOUR SYSTEM'S INTEGRATION POINTS ACROSS PRICING AND MANUFACTURING INCLUDING BILLS OF MATERIAL, SERVICES AND SUPPORT.

Try to break the integration points to find their weakest links and push the system hard with many more transactions than you expect to receive.

Look at the system's scalability aspects and try to make them fail. You need to know the limits of these system-integration points before it goes live.

If you are integrating transactions and quoting together, test the quality of Bills of Material and push the system to see how well it handles concurrent loads.

This will bring potential problems to the surface before resellers or members of your sales force find them. As a result, it will protect the system's reputation.

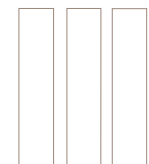


BE OPEN ABOUT QUOTING, PRICE-EXCEPTION MANAGEMENT AND PROPOSAL PERFORMANCE, DOWN TO THE WIN AND ACCURACY RATES.

Rolling out a new system that affects the sales force, and most importantly, their compensation, is going to get a very critical look from the channel and your sales teams alike. It is better to not hide the system's performance. Be open and post its performance gains. Think of this as marketing the system internally.

The best companies are very open about these performance measures with their sales teams and they tell it like it is. In turn, this earns trust and adoption. No one is perfect with a new system implementation, so own up to the failures as well as the successes.

The important part of this is to obtain quoting-system trust and to market it well so it drives up adoption.

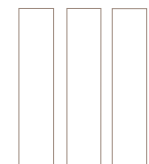


WHEN YOU LOOK AT THE HIGHEST-PERFORMING QUOTING, PROPOSAL AND PRICING SYSTEMS OVER TIME, THEY HAVE ALL HAD THEIR CHALLENGES WITH PERFORMANCE.

It's not that the severity of the problems was less; it was how management chose to deal with it that mattered most.

Owning it to the VP or CMO level and taking steps to fix problems is critical.

You have to preserve the credibility of the quoting system by owning its wins and its challenges.

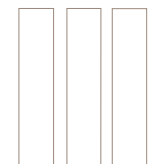


USE QUOTING SYSTEMS AS A MEANS TO GET YOUR SALES TEAMS TO COMPETE WITH EACH OTHER OVER ORDER ACCURACY, CLOSE RATES AND SERVICES REVENUE.

That is exactly what one manufacturer did with excellent results.

This manufacturer is a Cincom client and has been able to get its internal sales teams focused on selling at higher prices when bundles are included in an otherwise slow-growth or flat market.

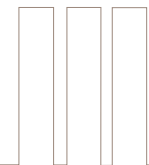
The results: They have increased order rates by 70%, close rates by just over 30% and have not had an error in a Bill of Material for customized configurations since moving to an automated system.



QUOTING, PROPOSALS AND PRODUCT CONFIGURATION MAKE COMPLEX STRATEGIES SIMPLER TO EXECUTE. CONSIDER USING THEM FOR NEW PRODUCT INTRODUCTIONS.

A Cincom customer is actively using their quoting, pricing and product-configuration systems to launch build-to-order, configure-to-order and engineer-to-order products across its dealer base.

This strategy has been so successful that the quoting system is now used to teach new channel-partner hires how to sell.



BOTTOM LINE: AUTOMATE
QUOTING, PRICING AND
PRODUCT CONFIGURATION
TO TURN TIME INTO A
COMPETITIVE ADVANTAGE.



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